IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE:	:	CHAPTER 7
J. McCLOUD REALTY, LLC	:	Hearing: August 4, 2025 – 12:00 PM
Debtor	:	No. 25-11778(amc)

O R D E R

AND NOW, this __________ day of August, 2025, upon consideration of the Debtor's second motion for reconsideration, the response of Philadelphia Federal Credit Union in opposition thereto, and after hearing thereon, sufficient cause having been shown, it is hereby

ORDERED that the Motion is **DENIED**.

BY THE COURT:

____
Ashely M. Chan, U.S. Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

IN RE:	:	CHAPTER 7
J. McCLOUD REALTY, LLC	:	Hearing: August 4, 2025 – 12:00 PM
Debtor	:	No. 25-11778(amc)

**RESPONSE of PHILADELPHIA FEDERAL CREDIT UNION
to DEBTOR'S SECOND MOTION for RECONSIDERATION of STAY RELIEF ORDER**

Philadelphia Federal Credit Union (**'PFCU"**), by its undersigned counsel, hereby responds to the Debtor's *pro se* Second Motion for Reconsideration (the **"Motion"**) of the Court's Order (docket #66) granting PFCU stay relief.

The Court has already heard – and denied – the Debtor's First Motion for Reconsideration, and this Second Motion sets forth no new evidence that would justify revisiting the stay relief order yet again.

The Debtor also remains unrepresented; it appears that the Debtor's principal may now want this case to be dismissed, to avoid further scrutiny into the Debtor's financial affairs.

At the last hearing, the Debtor's principal claimed that she was unable to retain new counsel, and that she had spoken with "three attorneys" each of whom declined the representation. I can attest to the fact that two other attorneys called me about the case before the last hearing, but both ultimately decided to pass.

At some point, the Court's decision must be final. We passed that point some time ago.

INTRODUCTION

The Debtor has confirmed that it possesses no bank accounts[1]. We still do not know where the rents generated by the mortgaged properties have gone, and the case will be nearly three months old by the time of the scheduled hearing. Those rents are PFCU's cash collateral, and – even

[1] *See,* Motion (docket #95) at page 3.

though the Court ordered the Debtor to "forthwith" account for it, in an Order entered on May 15, 2025 – the Debtor has not done so.

In the absence of unanticipated (and unlikely) evidence to the contrary, reconsideration must be denied.

RESPONSE

1. It is denied that the Debtor has equity in either property. Starting from (without admitting the accuracy of) the $200,000.00 appraised value of 5909 Windsor Street, and subtracting PFCU's secured claim of $162,745.03 and unpaid taxes of $5,995.65 leaves net equity of $31,259.32. The rule of thumb is that transaction costs associated with a sale of real property are usually in the range of 12% to 15%; sales are often made at prices somewhat below a property's appraised value.

Assuming a sale at the appraised value, and transaction costs of 13.75% (the midpoint of the range shown above), less than $3,800.00 remains in equity for the Debtor. That is, functionally, nothing[2].

Sale Price	$ 200,000.00
LESS mortgage balance	< 162,745.03>
LESS unpaid real estate taxes	< 5,995.65>
SUBTOTAL	$ 31,259.32
LESS transaction costs (13.75%)	< 27,500.00>
NET EQUITY	$ 3,759.32

The situation is worse for 3125 North Marston Street. Using (again without admitting the accuracy of) the $90,000.00 appraisal, and the same analysis as above, there is no equity at all left for the estate.

Sale Price	$ 90,000.00
LESS mortgage balance	< 83,895.62>
LESS unpaid real estate taxes	< 3,866.31>

2 If the sale price was, say, $195,000.00 instead of $200,000.00, there would be no equity at all for the estate.

SUBTOTAL	$ 2,238.07
LESS transaction costs (13.75%)	< 12,375.00>
NEGATIVE NET EQUITY	< $ 10,136.93>

The review of comparable sales allegedly performed by the Debtor's principal is inadmissible, first because it is hearsay, and second because the Debtor's principal is not a licensed real estate agent or appraiser.

The lack of equity is only one reason why the grant of stay relief was proper. The other is that this case was hopeless the moment it was filed. Indeed, the Debtor's proposed Chapter 11 Plan was one of liquidation, achieving the same result as the grant of relief from stay, but at a higher cost to the estate, and taking more time than the foreclosure process, in which both properties are now listed for Sheriff's Sale on August 5, 2025.

In the absence of filed schedules, we can only estimate, but according to the Region 3 Report prepared by the Office of Policy Development and Research of the federal Department of Housing and Urban Development for the third quarter of 2024 (copy attached as **Exhibit "A"**; the **"HUD Report"**), the average monthly apartment rental in Philadelphia is $1,779.00, or a total of $3,558.00 for both properties. See, report, at 6.

After subtracting real estate taxes (a total of about $200.00 a month), loan payments (about $1,400.00 a month), insurance, gas or heating oil, water/sewer charges and the myriad of other expenses a landlord incurs each month, plus payments toward the loan arrearages (a total of $37,437.43, or 60 payments of $623.96 each) and the delinquent taxes, one sees that the Debtor's operating margin is razor-thin, if extant at all. Ample cause thus existed (and exists) to support the grant of stay relief.

2. It is denied that lifting the stay would harm any creditor of the Debtor. Again, in the absence of schedules, we do not even know who those creditors are, or what they are owed. It

is also denied that reimposition of the stay would benefit these (presumed) creditors, for the reasons set forth above.

The Debtor's Motion states that "…there are no unencumbered assets for the Trustee to administer…." This is further evidence that relief from the automatic stay was properly granted.

3. PFCU takes no position as to whether counsel's representation was deficient. PFCU does not know whether the failures to file various required papers is attributable to counsel, or to the Debtor. PFCU believes, however, that the grant of stay relief was appropriate under either set of circumstances, and that conversion of the case to a Chapter 7 proceeding was both proper and inevitable.

4. Denied. The Debtor filed its case in the Eastern District of Pennsylvania. That was the only proper venue for the filing. The Debtor's claimed difficulties are no basis for relief.

5. Denied that there is any basis to reimpose the automatic stay, or to reconvert the case to Chapter 11, for the reasons set forth above.

CONCLUSION

The Court's Order of May 22, 2025 provides that "… no future bankruptcy filing … shall operate to stay PFCU's state court foreclosure actions…." To give full effect to that order, PFCU respectfully requests that any dismissal order entered not take effect before August 6, 2025, to allow the Sheriff' s Sales now scheduled for August 5th to proceed without hindrance.

If dismissal is appropriate, such a short delay in the entry of a dismissal order will prejudice no one, as the only conceivable reason for an earlier dismissal would be to allow the Debtor to re-file. That is not a proper basis.

WHEREFORE, Philadelphia Federal Credit Union respectfully requests that the Debtor's

Motion be denied[3].

KAPLIN STEWART MELOFF REITER & STEIN, P.C.

By: */S/ William J. Levant, Esquire*
WILLIAM J. LEVANT, ESQUIRE
Attorneys for Philadelphia Federal Credit Union

Date: July 31, 2025

---

[3] The Court's Order of May 22, 2025 provides that "…no future bankruptcy filing … shall operate to stay PFCU's state court foreclosure actions…." In order to give full effect to that order, PFCU respectfully requests that any dismissal order entered not take effect before August 6, 2025, to allow the Sheriff's Sales now scheduled for August 5th to proceed without hindrance.

EXHIBIT "A"

HUD PD&R Regional Reports

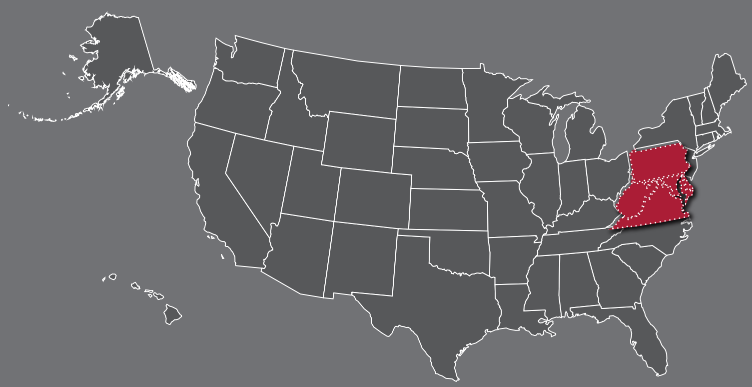
Region 3: Mid-Atlantic

Richmond, Virginia

Quick Facts About Region 3

- **Sales market conditions—**
  Third quarter 2024: mixed (balanced to slightly tight)
  Second quarter 2024: mixed (balanced to slightly tight)
  Third quarter 2023: mixed (balanced to slightly tight)

- **Apartment market conditions—**
  Third quarter 2024: mixed (soft to slightly tight)
  Second quarter 2024: mixed (soft to slightly tight)
  Third quarter 2023: mixed (soft to slightly tight)



By Mildred Jara | 3rd Quarter 2024

Overview

The economy in the Mid-Atlantic region expanded at a steady pace as of the third quarter of 2024, with continuing moderate job growth compared with a year ago. Nonfarm payrolls in the region increased 1.4 percent year over year, unchanged from a year earlier but slightly lower than the national rate of 1.5 percent. A low inventory of homes for sale, coupled with increased home sales demand resulting from declining mortgage interest rates during the past year, contributed to tightening sales market conditions in some areas in the region. As of September 2024, the months of supply of for-sale inventory declined slightly from a year ago. Home price gains accelerated during the 12 months ending August 2024, and home sales declined at a slower rate compared with the 12 months ending August 2023. In response to increased demand for homes, single-family home permitting as of the third quarter of 2024 rose 8 percent compared with a year earlier. Apartment market conditions were generally soft in most areas in the region, and the weaker demand partly contributed to a 23-percent decline in multifamily permitting activity compared with a year ago.

continued on page 2

continued from page 1

- As of the third quarter of 2024, 9 of the 11 nonfarm payroll sectors in the Mid-Atlantic region added jobs, led by the education and health services sector, which accounted for nearly one-half of the net job gains in the region.
- Home sales in the region declined 10 percent to 412,500 homes sold during the 12 months ending August 2024, slowing from a 24-percent decrease a year ago. Average home sales prices rose 6 percent to $380,500, accelerating from a 2-percent increase during the 12 months ending August 2023 (CoreLogic, Inc.).
- Apartment market conditions were soft or slightly soft in five of the eight metropolitan areas cited in this report. Increases in the average rent ranged from 2 to 4 percent throughout the region as of the third quarter of 2024, faster than the national average increase of 1 percent (CoStar Group).

Economic Conditions

Economic conditions in the Mid-Atlantic region are stable, with moderate job growth during the past year. As of the third quarter of 2024, nonfarm payrolls rose by 213,500 jobs, or 1.4 percent, from the third quarter of 2023 to 15.20 million jobs, unchanged from a 1.4-percent gain a year earlier. Although nonfarm payrolls regionwide as of the third quarter of 2024 were 2.1 percent higher than the level as of the third quarter of 2019 before the COVID-19 pandemic, payrolls in the District of Columbia and Maryland were 3.2 and 0.2 percent below prepandemic levels, respectively. Payrolls in Delaware, Pennsylvania, Virginia, and West Virginia exceeded prepandemic levels by 4.9, 2.3, 4.6, and 0.1 percent, respectively. Job growth in the region was slightly slower than in the nation, where nonfarm payrolls increased 1.5 percent year over year as of the third quarter of 2024, and jobs were 4.9 percent higher than the level as of the third quarter of 2019.

Regionwide, 9 of the 11 nonfarm payroll sectors added jobs during the past year. The education and health services sector had the largest gain and fastest growth, rising by 104,400 jobs, or 3.9 percent, as of the third quarter of 2024, unchanged from 3.9-percent year-over-year growth as of the third quarter of 2023. The sector accounted for 49 percent of regionwide net job gains. Jobs in the education and health services sector increased in every state in the region but declined 0.9 percent in the District of Columbia. The decline in the District of Columbia partially offset sector job growth ranging from 1.8 percent in Delaware to 5.0 percent in West Virginia. The second largest job gain and second fastest growth in the region as of the third quarter of 2024 occurred in the leisure and hospitality sector, which added 38,300 jobs, or 2.5 percent, year over year compared with a 4.1-percent gain as of the third quarter

continued on page 3

Nonfarm payrolls increased in the Mid-Atlantic region year over year as of the third quarter of 2024, led by growth in the education and health services sector.

	Third Quarter		Year-Over-Year Change	
	2023 (Thousands)	2024 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	14,988.4	15,201.9	213.5	1.4
Goods-Producing Sectors	1,776.6	1,789.6	13.0	0.7
Mining, Logging, & Construction	776.7	786.8	10.1	1.3
Manufacturing	999.9	1,002.8	2.9	0.3
Service-Providing Sectors	13,211.8	13,412.3	200.5	1.5
Wholesale & Retail Trade	1,861.8	1,855.2	-6.6	-0.4
Transportation & Utilities	646.6	652.2	5.6	0.9
Information	229.0	228.0	-1.0	-0.4
Financial Activities	808.5	809.0	0.5	0.1
Professional & Business Services	2,447.9	2,466.3	18.4	0.8
Education & Health Services	2,678.6	2,783.0	104.4	3.9
Leisure & Hospitality	1,502.5	1,540.8	38.3	2.5
Other Services	679.5	695.7	16.2	2.4
Government	2,357.5	2,382.1	24.6	1.0

Note: Numbers may not add to totals due to rounding.
Source: U.S. Bureau of Labor Statistics

continued from page 2

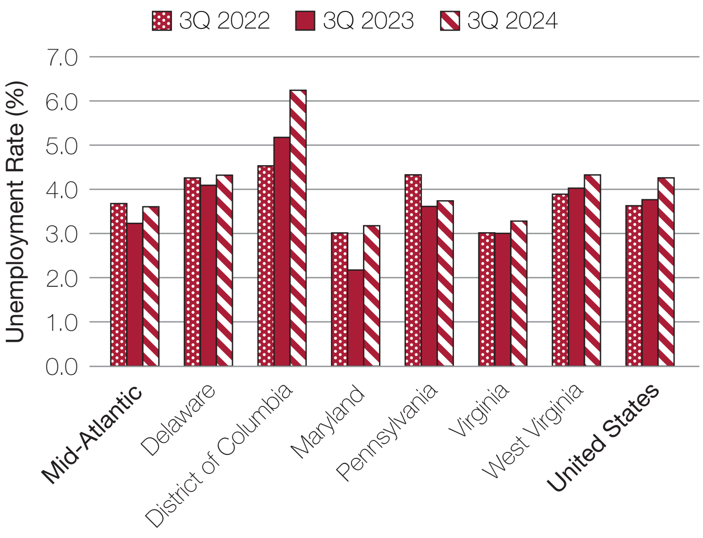
of 2023. Jobs in the sector rose or were relatively unchanged in all areas in the region, with the fastest growth in Pennsylvania, where jobs increased 4.8 percent compared with a year ago. Partially offsetting the overall job growth in the region, the wholesale and retail trade sector lost the most jobs as of the third quarter of 2024, falling by 6,600 jobs, or 0.4 percent, compared with the third quarter of 2023, when payrolls in the sector fell 0.1 percent year over year. The largest declines in the sector were in Maryland and Pennsylvania, where job losses totaled 2,000 and 4,300, or 0.6 and 0.5 percent, respectively; those losses were partially offset by respective increases in the District of Columbia and Virginia of 300 and 1,300 jobs, or 1.3 and 0.3 percent, from a year ago.

The unemployment rate in the region averaged 3.6 percent as of the third quarter of 2024, increasing from 3.2 percent a year earlier. The regionwide unemployment rate was lower than the national rate of 4.3 percent, which rose from 3.8 percent a year earlier. Unemployment rates increased throughout the region, ranging from a 0.1-percentage point increase in Pennsylvania to a 1.1-percentage point increase in the District of Columbia, which had the highest unemployment rate in the region at 6.2 percent as of the third quarter of 2024. Maryland had the lowest unemployment rate in the region at 3.2 percent, increasing from 2.2 percent as of the third quarter of 2023.

As of the third quarter of 2024—

- Pennsylvania had the fastest growth and largest payroll gain in the region, rising 1.9 percent, or by 115,600 jobs, from the third quarter of 2023, accelerating from payroll growth of 1.3 percent, or 79,700 jobs, a year earlier. The education and health services and the leisure and hospitality sectors had the largest payroll gains, up by 63,000 and 28,500 jobs, respectively, or 4.8 percent each, and accounting for a combined 79 percent of net job gains in the state; 22 and 28 percent of statewide growth in the education and health services and the leisure and hospitality sectors, respectively, were concentrated in Philadelphia County.
- Virginia had second fastest growth and second largest year-over-year job increase in the region, increasing 1.7 percent, or by 70,100 jobs, and slowing from a 1.9-percent rate of growth, or an increase of 78,100 jobs, a year earlier. The education and health services and the mining, logging, and construction sectors led job growth, increasing by 22,300 and 12,900 jobs, or 3.8 and 5.7 percent, respectively, from a year earlier.
- In Delaware and West Virginia, nonfarm payrolls rose by 5,400 and 7,000 jobs, or 1.1 and 1.0 percent, year over year to 493,100 and 717,100 jobs, respectively. The government sector led payroll growth in Delaware, up by 2,200 jobs, or 3.3 percent, from a year ago, whereas in West Virginia, the education and health services sector added the most jobs, increasing by 6,700 jobs, or 5.0 percent, year over year.
- Nonfarm payrolls in the District of Columbia rose by 4,700 jobs, or 0.6 percent, year over year, reflecting the smallest job gain in the region but accelerating from an increase of 4,100 jobs, or 0.5 percent, a year earlier. Five of the 11 sectors added jobs, with the largest additions in the other services and the government sectors, which were up by 2,700 and 1,700 jobs, or 4.0 and 0.7 percent, respectively, from a year ago.
- Job growth in Maryland was the slowest in the region, up 0.4 percent, or by 10,800 jobs, following a 0.8-percent year-over-year increase as of the third quarter of 2023. The education and health services and the government sectors had the largest payroll gains, up by 12,100 and 8,300 jobs, or 2.6 and 1.6 percent, respectively, from a year earlier. Those gains were partially offset by a loss in the mining, logging, and construction sector of 4,300 jobs, or 2.6 percent, from the third quarter of 2023.

As of the third quarter of 2024, the unemployment rate increased throughout the Mid-Atlantic region, although the regional average stayed below the national rate.



3Q = third quarter.
Source: U.S. Bureau of Labor Statistics

Sales Market Conditions

Home sales market conditions in the Mid-Atlantic region were mixed as of the third quarter of 2024, ranging from balanced to slightly tight. Market conditions tightened in some of the areas in the region during the past year compared with a year ago. Strong demand, partly caused by falling mortgage interest rates, contributed to tighter market conditions and declining inventories of homes for sale. The 30-year, fixed-rate mortgage in the United States averaged 6.5 percent as of the third quarter of 2024, down from an average of 7.0 percent as of the third quarter of 2023 (Freddie Mac). The inventory of homes for sale in the region declined to 2.5 months of supply as of September 2024, down from 2.6 months in September 2023 (Redfin, a national real estate brokerage, with adjustments by the analyst). The months of supply as of September 2024 ranged from 2.0 months in Virginia, where conditions tightened, to 5.5 months in the District of Columbia, where conditions eased, compared with 2.1 and 4.2 months a year ago, respectively. Conditions also tightened in Pennsylvania and West Virginia, where the supply declined from 3.2 and 5.1 months in September 2023 to 2.7 and 3.3 months in September 2024, respectively.

In response to heightened demand, the average home sales price in the region rose 6 percent to $380,500 during the 12 months ending August 2024, accelerating from a 2-percent increase during the previous 12 months (CoreLogic, Inc.). Average home prices rose in all states in the region and the District of Columbia. Price growth during the 12 months ending August 2024 ranged from a 4-percent increase to an average of $809,700 in the District of Columbia to 8-percent increases in both Virginia and West Virginia to averages of $458,000 and $204,700, respectively. In Maryland and Pennsylvania, average home prices increased 6 percent each to $443,000 and $293,500, respectively, accelerating from price increases of 2 percent each a year earlier. The average home price in Delaware rose 7 percent to $417,300, compared with a 9-percent increase during the 12 months ending August 2023. Average home prices rose in all metropolitan areas and metropolitan divisions cited in this report, ranging from 4 percent each in the Philadelphia and the Silver Spring-Frederick-Rockville metropolitan divisions to 9 percent in the Richmond metropolitan area.

Home sales in the region fell during the 12 months ending August 2024, down 10 percent to 412,500 and decelerating from a 24-percent decrease a year earlier (CoreLogic, Inc.). Home sales declined in all states in the region and the District of Columbia, ranging from an 8-percent decrease in Pennsylvania to a 16-percent decrease in the District of Columbia. The declines in home sales throughout the region have slowed from a year earlier, when the declines ranged from 16 percent in West Virginia to 27 percent in Maryland. Declines in home sales in the metropolitan areas and metropolitan divisions cited in this report ranged from 5 to 13 percent, compared with declines ranging from 5 to 29 percent during the 12 months ending August 2023.

The share of seriously delinquent mortgages and real estate owned properties was 1.1 percent in August 2024, down from 1.2 percent in August 2023 and below the 1.7-percent prepandemic rate in August 2019 (CoreLogic, Inc.). By comparison, the national rate in August 2024 was slightly lower than the rate in the region at 1.0 percent, unchanged from 1.0 percent a year earlier and

continued on page 5

Average home sales prices increased throughout the Mid-Atlantic region during the 12 months ending August 2024, whereas home sales declined but at a slower rate than a year ago.

		Number of Homes Sold			Price			
	12 Months Ending	2023	2024	Percent Change	Average	2023 ($)	2024 ($)	Percent Change
Baltimore-Columbia-Towson, MD; MSA	August	43,400	38,800	-11	AVG	$371,300	$399,900	8
Dover, DE; MSA	August	3,200	2,800	-13	AVG	$317,600	$334,300	5
Morgantown, WV; MSA	August	1,925	1,750	-9	AVG	$254,000	$269,200	6
Pittsburgh, PA; MSA	August	31,800	30,100	-5	AVG	$239,300	$253,900	6
Richmond, VA; MSA	August	22,350	20,850	-7	AVG	$376,800	$410,300	9
Virginia Beach-Norfolk-Newport News, VA-NC; MSA	August	31,350	28,000	-11	AVG	$364,700	$385,400	6
Philadelphia, PA; Metro. Div.	August	28,100	26,200	-7	AVG	$295,900	$309,100	4
Montgomery-Bucks-Chester Counties, PA; Metro. Div.	August	25,400	23,350	-8	AVG	$496,800	$530,200	7
Wilmington, DE-MD-NJ; Metro. Div.	August	10,800	9,800	-9	AVG	$316,300	$338,600	7
Washington-Arlington-Alexandria, DC-VA-MD-WV; Metro. Div.	August	65,700	59,300	-10	AVG	$620,100	$649,300	5
Silver Spring-Frederick-Rockville, MD; Metro. Div.	August	16,750	14,800	-12	AVG	$625,800	$652,900	4

AVG = average. Metro. Div. = metropolitan division. MSA = metropolitan statistical area.
Notes: All figures are rounded. Data include new and existing single-family homes, townhomes, and condominiums.
Source: CoreLogic, Inc.

continued from page 4

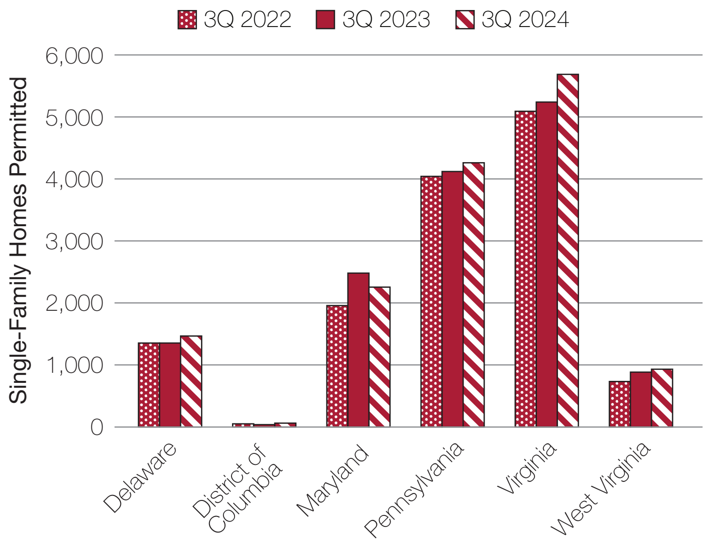
below the 1.4-percent rate in August 2019. Regionwide, the rates ranged from 0.7 percent in Virginia to 1.4 percent in the District of Columbia, with declines during the past year in Maryland, Pennsylvania, and West Virginia and unchanged rates from a year ago in Delaware, the District of Columbia, and Virginia.

Based on preliminary data, homebuilding activity in the region during the third quarter of 2024, as measured by the number of single-family homes permitted, rose 4 percent compared with a year ago, with most of the increase occurring in Virginia.

As of the third quarter of 2024 (preliminary data)—

- Approximately 87 percent of the increase in single-family home permitting in the region occurred in Virginia, where permitting was up by 450 homes, or 8 percent, to 5,700 homes permitted. The Richmond and Virginia Beach-Norfolk-Newport News (hereafter, Virginia Beach) metropolitan areas accounted for a combined 33 percent of the net gain in permitting in the state.
- The fastest rate of increase in homebuilding activity in the region was in the District of Columbia, where single-family permitting rose 39 percent, or by nearly 15 homes, to 45 homes permitted. Similarly, an average of 45 homes were permitted in the District of Columbia during the third quarters of 2018 through 2023.
- Homebuilding activity in Delaware, Pennsylvania, and West Virginia rose by 100, 130, and 50 homes, or 8, 3, and 6 percent, to 1,450, 4,250, and 930 homes, respectively. An increase from a year ago of approximately 55 homes permitted, or 58 percent, in Philadelphia County accounted for 42 percent of the increase in permitting in Pennsylvania.
- Single-family home permitting declined in Maryland by 230 homes, or 9 percent, to 2,250 homes permitted. Decreased homebuilding in the Baltimore-Columbia-Towson (hereafter, Baltimore) metropolitan area accounted for 27 percent of the decline in Maryland.

Single-family home permitting increased in the Mid-Atlantic region as of the third quarter of 2024 compared with a year ago, with increases in the District of Columbia and every state except Maryland.



3Q = third quarter.
Note: Based on preliminary data.
Source: U.S. Census Bureau, Building Permits Survey

Apartment Market Conditions

Apartment market conditions were mixed among areas in the Mid-Atlantic region as of the third quarter of 2024, ranging from soft to slightly tight. Apartment vacancy rates decreased in five of the eight metropolitan areas highlighted in this report during the past year. Average apartment rents increased in all eight markets cited in this report, with rent growth ranging from 2 to 4 percent, higher than the 1-percent average increase in the nation (CoStar Group).

Conditions were soft or slightly soft as of the third quarter of 2024 in five of the eight areas cited in this report. In the Richmond metropolitan area, conditions were soft but improving, with a vacancy rate of 8.1 percent, down from 8.3 percent as of the third quarter of 2023. Despite the soft conditions, the metropolitan area was among the areas cited in this report with the strongest rent increase, up 4 percent to $1,535, compared with 1-percent rent growth as of the third quarter of 2023. In the Washington-Arlington-Alexandria metropolitan area, conditions were slightly soft, unchanged from a year ago. The vacancy rate was 6.8 percent, down slightly from 6.9 percent a year ago, and the average rent rose 4 percent to $2,240, increasing from a 2-percent rate of growth as of the third quarter of 2023, reflecting stronger absorption of units. Slightly soft conditions also persisted from a year ago in the Baltimore metropolitan area, where the vacancy rate declined to 6.9 percent from 7.2 percent a year ago, and the average rent increased 3 percent to $1,694 compared with a 1-percent increase as of the third quarter of 2023. Conditions in the Philadelphia-Camden-Wilmington (hereafter, Philadelphia) and Virginia Beach metropolitan areas were also slightly soft as of the third quarter of 2024, softening from balanced conditions a year ago. In the Philadelphia metropolitan area, the vacancy rate rose from 6.8 to 7.5 percent as of the third quarter of 2024,

continued on page 6

continued from page 5

partly because the completion of 3,550 units outpaced the absorption of 3,425 units; the average rent rose 2 percent to $1,779, unchanged from a 2-percent increase a year earlier. In the Virginia Beach metropolitan area, the vacancy rate rose from 6.5 to 6.7 percent, and the average rent increased 3 percent to $1,517 as of the third quarter of 2024. Absorption of nearly 520 units was outpaced by the completion of approximately 830 units as of the third quarter of 2024, contributing to the softening conditions.

Apartment market conditions in the Dover and Pittsburgh metropolitan areas were balanced as of the third quarter of 2024, with vacancy rates of 4.7 and 5.5 percent, respectively. The market in the Dover metropolitan area eased from slightly tight conditions a year ago, when the vacancy rate was 3.0 percent, and the average rent rose 3 percent to $1,556 as of the third quarter of 2024. In the Pittsburgh metropolitan area, the vacancy rate declined from 6.0 percent a year ago, and the average rent rose 2 percent during the past year to $1,347, faster than the 1-percent year-over-year rent growth as of the third quarter of 2023. Conditions in the Morgantown metropolitan area tightened as of the third quarter of 2024, with a sharp decline in the vacancy rate from 7.6 to 3.3 percent and 2-percent rent growth during the past year to $1,044, unchanged from the 2-percent rate of growth a year ago.

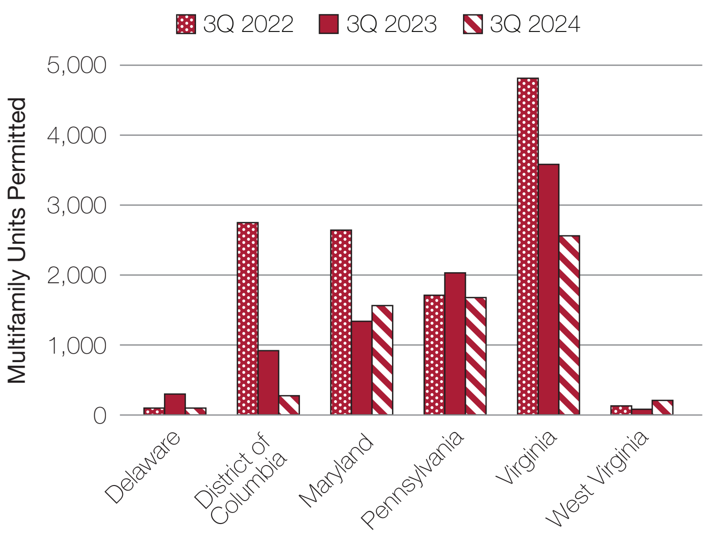
Multifamily building activity in the Mid-Atlantic region, as measured by the number of units permitted, declined as of the third quarter of 2024 from the same period a year earlier, with increases in Maryland and West Virginia offset by decreases elsewhere (preliminary data).

As of the third quarter of 2024 (preliminary data)—

- A total of 6,400 multifamily units were permitted in the region, representing a 23-percent decline from the third quarter of 2023, when multifamily permitting declined 32 percent from a year earlier. Nationwide, multifamily construction declined 13 percent year over year as of the third quarter of 2024 following a 23-percent decrease a year earlier.
- Virginia accounted for the largest decrease year over year in multifamily units permitted in the region, down by 1,025 units, or 29 percent, to 2,550 units. The Virginia portion of the Virginia Beach metropolitan area accounted for 54 percent of the net decline in permitting in the state.

continued on page 7

Multifamily permitting declined in four of the six areas in the Mid-Atlantic region as of the third quarter of 2024.



3Q = third quarter.
Note: Based on preliminary data.
Source: U.S. Census Bureau, Building Permits Survey

As of the third quarter of 2024, average rents increased from a year ago throughout the major metropolitan areas in the Mid-Atlantic region.

	Market Condition	Vacancy Rate 3Q 2023 (%)	Vacancy Rate 3Q 2024 (%)	Vacancy Rate Percentage Point Change	Average Monthly Rent 3Q 2023 ($)	Average Monthly Rent 3Q 2024 ($)	Average Monthly Rent Percent Change
Baltimore-Columbia-Towson, MD; MSA	Slightly Soft	7.2	6.9	-0.3	1,650	1,694	3
Dover, DE; MSA	Balanced	3.0	4.7	1.7	1,517	1,556	3
Morgantown, WV; MSA	Slightly Tight	7.6	3.3	-4.3	1,023	1,044	2
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD; MSA	Slightly Soft	6.8	7.5	0.7	1,747	1,779	2
Pittsburgh, PA; MSA	Balanced	6.0	5.5	-0.5	1,315	1,347	2
Richmond, VA; MSA	Soft	8.3	8.1	-0.2	1,483	1,535	4
Virginia Beach-Norfolk-Newport News, VA-NC; MSA	Slightly Soft	6.5	6.7	0.2	1,479	1,517	3
Washington-Arlington-Alexandria, DC-VA-MD-WV; MSA	Slightly Soft	6.9	6.8	-0.1	2,164	2,240	4

3Q = third quarter. MSA = metropolitan statistical area.
Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group

continued from page 6

- The number of multifamily units permitted in Delaware, the District of Columbia, and Pennsylvania declined by 210, 640, and 350 units, or 68, 70, and 17 percent, to 100, 280, and 1,675 units, respectively. Permitting declined by 190 units, or 76 percent, in Sussex County, accounting for 90 percent of the decline in Delaware, and by 340 units, or 45 percent, in the Pittsburgh metropolitan area, accounting for 97 percent of the decline in Pennsylvania.
- In Maryland, the number of multifamily units permitted rose by 210 units, or 16 percent, to 1,550 units permitted, with the Baltimore metropolitan area accounting for all the net increase in the state because multifamily permitting rose by 430 units from a year ago, more than offsetting declines in the rest of the state. In West Virginia, multifamily permitting more than doubled to 210 units, compared with 85 units a year earlier.

Terminology Definitions and Notes

A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. A property is stabilized once an occupancy rate of 90 percent or more is reached or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Home Sales/Home Sales Prices	Includes single-family home, townhome, and condominium sales.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

B. Notes on Geography

1.	The metropolitan statistical area and metropolitan division definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated April 10, 2018.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE:	:	CHAPTER 7
J. McCLOUD REALTY, LLC	:	Hearing: August 4, 2025 – 12:00 PM
Debtor	:	No. 25-11778(amc)

CERTIFICATE OF SERVICE

I, William J. Levant, Esq., hereby certify that on July 31, 2025, I did send a copy of the Response of Philadelphia Federal Credit Union to the Debtor's Second Motion for Reconsideration to the persons named below, by the means indicated :

J. McCloud Realty, LLC 4607 Miller Street Wahiawa, HI 96786 jmccloudrealty@gmail.com	First Class Mail and email
Brad Sadek, Esquire Debtor's attorney	(sent by ECF)
Holly Smith Miller, Esquire	(sent by ECF)
Office of the US Trustee	(sent by ECF)
Robert H. Holber, Esquire Chapter 7 Trustee	(sent by ECF)

KAPLIN STEWART MELOFF REITER & STEIN, P.C.

By: */S/ William J. Levant, Esquire*
WILLIAM J. LEVANT, ESQUIRE
Attorneys for Philadelphia Federal Credit Union